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Case No: 2008-00183

Susan Dabney Luxon
J. Judson Patterson

email: Susan@luxonpatterson.com
email: Jud@luxonpatterson.com

May 21, 2008

Public Service Commission
211 Sower Boulevard
Frankfort, KY 40601

RECEIVED

MAY 23 2008

**PUBLIC SERVICE
COMMISSION**

Re: Kirksville Water Association, Richmond, Kentucky

Dear Sir or Madam:

Enclosed please find original and ten copies of a completed **Purchased Water Adjustment** application for Kirksville Water Association.

Please let me know if you need any additional information.

Very truly yours,


Jud Patterson

JP/dp
Enclosures

RECEIVED

MAY 23 2008

PUBLIC SERVICE COMMISSION

2008-00103

**PURCHASED WATER ADJUSTMENT FOR
WATER DISTRICTS AND ASSOCIATIONS
(807 KAR 5:068)**

Name of Utility	Kirksville Water Association	
Date	April 16, 2008	
Address	P. O. Box 670	
City, State, Zip	Richmond, KY	40476-0670
Telephone Number	859-624-1735	

1.a. Name of all wholesale suppliers and the base (current) rate and changed rate of each. In the event the water purchased is billed by the supplier on a rate that is not a flat rate schedule, the entire rate schedule must be shown. Attach additional sheets if necessary.

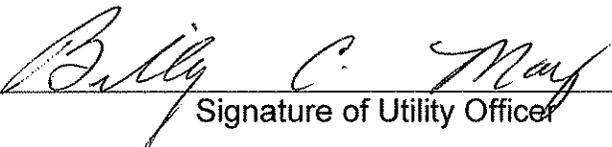
Supplier(s)	Base Rate	Changed Rate
Richmond Utilities	\$2.02 per 100 cu ft	\$2.08 per 100 cu ft
Kentucky River Authority	\$0.065 per 100 cu ft	\$0.065 per 100 cu ft

1.b. A copy of the supplier's notice of the changed rate showing the effective date of the increase is attached as Exhibit #1

2. Twelve-month period upon which the purchased water adjustment is based. (This twelve-month period must end within 90 days of this filing).

From	3/07	through	2/08
	(month and year)		(month and year)

3. Statement of water purchases. Where water is purchased from more than one supplier, purchases from each supplier must be shown separately. If water is purchased through a declining block rate schedule, purchases for each month must be shown. Attach an additional sheet if necessary.

Supplier(s)	Gallons Purchased during 12 month period
Richmond Utilities	123,761,000
TOTAL PURCHASES	123,761,000
4. Total sales for the 12 month period	\$787,092.53
5. Increased water cost	\$9,925.63
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.	
6. Purchased water adjustment factor	\$0.10/1000 gallon
The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold.	
<p>Note: The purchased water adjustment factor is added to each thousand gallons sold. If the minimum usage is 2,000 gallons then the purchased water adjustment factor would be added to the minimum bill twice. Revised tariff sheets must be attached showing the rate to be charged by the utility and the effective date of the increased rates.</p>	
7. Proposed effective date	July 1, 2008
	
Signature of Utility Officer	
President	
Title	

List of Exhibits

Exhibit #1 – Suppliers Notice

Exhibit #2 – Water Purchased

Exhibit #3 – Kirksville Water Association 12 Month History

Exhibit #4 – Calculations

Exhibit #5 – Proposed Billing Rates

Exhibit #1



300 Hallie Irvine St.
P.O. Box 700
Richmond, KY 40476-0700

March 31, 2008

Kirksville Water Association
Attn: Bobby Powell
297 Michelle Drive
Richmond, KY 40475

Dear Mr. Powell:

NOTICE

Richmond Utilities ("RU") has filed a proposed rate schedule which will increase the rate for water service provided as follows:

	<u>Current Rate</u>	<u>Proposed Rate</u>	<u>% Difference</u>
Kirksville Water Association	\$2.02/100 Cu Ft	\$2.08/100 Cu Ft	2.8% Increase
Madison County Utility District	\$2.02/100 Cu Ft	\$2.08/100 Cu Ft	2.8% Increase

The proposed effective date is July 1, 2008.

The Kentucky River Authority has increased their "water use fee". Effective April 1, 2008, the rate will increase to \$0.065/100 cu ft. The change will be reflected on bills reflecting usage from April 1st.

The rates contained in this notice are the rates proposed by RU. However, the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice.

Any corporation, association, or person with a substantial interest in the matter may, by written request, within thirty (30) days after publication or mailing of this notice of the proposed rate changes request to intervene. Intervention may be granted beyond the thirty (30) day period for good cause shown.

Any person who has been granted intervention by the Public Service Commission may obtain copies of the rate application and any other filings made by RU by contacting Scott Althausser at the offices of RU, 300 Hallie Irvine Street in Richmond, Kentucky: telephone 859-623-2323.

Any person may examine the rate application and other filings made by RU by visiting the offices of RU at 300 Hallie Irvine Street or by contacting the Public Service Commission at 211 Sower Boulevard in Frankfort, Kentucky; telephone 502-564-3940.

Sincerely,

Scott Althausser
Superintendent

Cc: Greg Puckett, Counsel
Madison County Fiscal Court

FOR Madison County, Kentucky
Area Served

P.S.C. KY. NO. 2

SHEET NO. _____

Richmond Utilities
(Name of Municipal Utility)

CANCELLING P.S.C. KY. NO. 1

SHEET NO. _____

RATES AND CHARGES

MONTHLY WHOLESALE WATER RATE:

Madison County Utility District
&
Kirksville Water Association

\$2.02 per 100 cubic feet

Kentucky River Authority Withdrawal Fee:

Tier I Fee	\$0.017 per 100 cubic feet
Tier II Fee	<u>\$0.045</u> per 100 cubic feet
Sub-Total	\$0.062 per 100 cubic feet
Adjustment to recover the full cost of the KRA Fee	<u>\$0.003</u> per 100 cubic feet
Total	<u>\$0.065</u> per 100 cubic feet

NOTE: This page only revises the Kentucky River Authority Withdrawal Fee. The usage rate remains the same as approved by City Ordinance 07-13 on May 8, 2007.

DATE OF ISSUE March 31, 2008

Month / Date / Year

DATE EFFECTIVE April 1, 2008

Month / Date / Year

ISSUED BY s/W. Scott Althaus

(Signature of Officer)

TITLE Superintendent

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. n/a DATED n/a

Exhibit #2
Water Purchased – 12 Months

<u>Usage Period</u>	<u>100 CF</u>	<u>1,000 Gallons</u>
3/1 – 4/2/07	12,436	9,303
4/2 – 5/1/07	10,902	8,155
5/1 – 6/1/07	15,173	11,350
6/1 – 7/2/07	18,118	13,553
7/2 – 8/1/07	15,632	11,694
8/1 – 9/4/07	19,422	14,529
9/4 – 10/1/07	13,221	9,890
10/1 – 11/1/07	14,859	11,115
11/1 – 12/3/07	11,655	8,719
12/3 – 1/3/08	11,025	8,247
1/3 – 2/1/08	11,149	8,340
2/1 – 3/3/08	<u>11,852</u>	<u>8,866</u>
Total	165,444	123,761

Exhibit #3

RUN DATE: 04/11/08 10:23
TERMINAL: 2

KIRKSVILLE WATER CO.
HISTORY TRACKING BY ACCOUNT NUMBER
MONTHLY LISTING (BILLING/USAGE) FOR 01/08 THRU 03/08

PAGE 1
program 10-2-7

SERVICE: W WATER ACCOUNT RANGE: ALL
MINIMUM AVERAGE USAGE: NONE

U = USAGE AU = AVERAGE USAGE UA () = NUMBER OF USAGE ADJUSTMENTS INCLUDED IN USAGE B = BILLING AB = AVERAGE BILLING

REPORT TOTALS

Bills Printed at the end of each month listed
↓

actual month water used
↓

	NUMBER OF BILLS	TOTAL USAGE	AVERAGE USAGE	BILLING	AVERAGE BILL
JAN 08	1729	655087.6	378.9	54691.55	31.63
FEB 08	1731	850906.7	491.6	66881.81	38.64
MAR 08	1726	664678.1	385.1	55130.87	31.94
=====					
TOTALS	5186	2170672.4	418.6	176704.23	34.07

12/07
1/08
2/08

2170672.4 #176,704.23

Billing Test Period

BILLING TOTALS INCLUDE THE FOLLOWING:

10,319,571.4 #787,092.53 = Total Billing (12 months)
CHARGES

Exhibit #3

RUN DATE: 04/11/08 10:22
 TERMINAL: 2

KIRKSVILLE WATER CO.
 HISTORY TRACKING BY ACCOUNT NUMBER
 MONTHLY LISTING (BILLING/USAGE) FOR 01/07 THRU 12/07

PAGE 1
 program 10-2-7

SERVICE: W WATER
 MINIMUM AVERAGE USAGE:

ACCOUNT RANGE: ALL
 NONE

U = USAGE AU = AVERAGE USAGE UA() = NUMBER OF USAGE ADJUSTMENTS INCLUDED IN USAGE B = BILLING AB = AVERAGE BILLING

REPORT TOTALS
Bills Printed at the end of each month listed

actual month water used

	NUMBER OF BILLS	TOTAL USAGE	AVERAGE USAGE	BILLING	AVERAGE BILL
JAN 07	1695	704898.0	415.9	53673.19	31.67
FEB 07	1694	844329.0	498.4	62152.24	36.69
MAR 07	1691	655443.4	387.6	50655.30	29.96
APR 07	1694	672345.9	396.9	51901.61	30.64
MAY 07	1694	758897.4	448.0	57037.37	33.67
JUN 07	1700	1010439.0	594.4	71190.87	41.88
JUL 07	1704	1132952.0	664.9	77563.31	45.52
AUG 07	1715	1000597.2	583.4	75883.35	44.25
SEP 07	1713	1073029.2	626.4	79839.68	46.61
OCT 07	1719	881101.4	512.6	68201.50	39.68
NOV 07	1733	889092.3	513.0	69140.01	39.90
DEC 07	1730	730444.6	422.2	59630.60	34.47
TOTALS	20482	10353569.4	505.5	776869.03	37.93

12/06
1/07
~~*2/07*~~
~~*3/07*~~
~~*4/07*~~
~~*5/07*~~
~~*6/07*~~
~~*7/07*~~
~~*8/07*~~
~~*9/07*~~
~~*10/07*~~
~~*11/07*~~

Begin test period

8,148,899.0

\$610,388.30

Billings Test period

BILLING TOTALS INCLUDE THE FOLLOWING:

CHARGES

**Exhibit #4
Calculations**

4. Total Sales for 12 Month Period

\$787,092.53 (includes 3% school tax)

\$764,167.50 (without school tax)

5. Increased Water Cost

\$2.02/100 CF to \$2.08/100 CF

= 0.06/100 CF x 1.3368

= \$0.0802/1000 Gallons

Increased Water Cost

\$123,761/1000 Gallon x \$0.0802

= \$9,925.63

6. Purchase Water Adjustment Factor

\$9,925.63/103,195.714 = \$0.0962/1000 Gallon

use = \$0.10/1000 Gallon

**Exhibit #5
Proposed Water Rates**

WATER RATES

First 2,000 gallons - \$16.68 (plus .50 school tax) \$17.18

Next 3,000 gallons - \$8.02 per 1000 gallons

Next 5,000 gallons - \$6.68 per 1000 gallons

All over 10,000 gallons - \$5.57 per 1000 gallons